

General Assembly

Raised Bill No. 5589

February Session, 2016

LCO No. 2045



Referred to Committee on HUMAN SERVICES

Introduced by: (HS)

AN ACT CONCERNING AN ACUITY-BASED SYSTEM FOR MEDICAID REIMBURSEMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 17b-340d of the 2016 supplement to the general
- 2 statutes is repealed and the following is substituted in lieu thereof
- 3 (Effective July 1, 2016):
- 4 (a) The Commissioner of Social Services may implement an acuity-
- 5 based methodology for Medicaid reimbursement of nursing home
- 6 services. In the course of developing [such a system] the methodology,
- 7 the commissioner shall review the skilled nursing facility prospective
- 8 payment system developed by the Centers for Medicare and Medicaid
- 9 Services, as well as other methodologies used nationally, and shall
- 10 consider recommendations from the nursing home industry. The
- 11 commissioner, in accordance with section 17b-8, shall seek federal
- 12 approval for a Medicaid state plan amendment if necessary to
- 13 implement an acuity-based methodology. The acuity-based
- methodology may include, but need not be limited to:

LCO No. 2045 1 of 3

- 15 (1) A prospective case mix system of reimbursement, where the
 16 basis for a portion of the reimbursement includes a classification
 17 system that groups assessed conditions, diagnoses or both and takes
 18 into consideration the resources required to provide care, services and
 19 supports for residents with such conditions, diagnoses or both;
- 20 (2) A standard resident assessment instrument;
- 21 (3) A rate adjustment add-on for special needs residents, including,
- 22 but not limited to: (A) Residents with a diagnosis of dementia,
- 23 Alzheimer's disease or similar cognitive condition who may have more
- 24 complex care needs and higher staffing requirements than is reflected
- 25 on federally mandated clinical assessments, (B) ventilator dependent
- 26 <u>residents</u>, (C) residents with developmental disabilities, (D) residents
- 27 with behavioral health needs, and (E) bariatric residents who require
- 28 <u>special care for obesity-related conditions;</u>
- 29 <u>(4) A rate differential accounting for cost differences among</u> 30 counties of the state;
- 31 (5) A pay-for-performance rate adjustment add-on; and
- 32 (6) Revisions to the property reimbursement component to the rates.
- 33 (b) Any acuity-based methodology for Medicaid reimbursement
- 34 approved pursuant to this section shall be phased in over at least four
- 35 years with provisions to limit decreases in Medicaid per diem rates for
- 36 <u>nursing home facilities during the phase-in period. The Commissioner</u>
- of Social Services shall report, in accordance with the provisions of
- 38 section 11-4a, on the implementation of the methodology to the joint
- 39 standing committee of the General Assembly having cognizance of
- 40 matters relating to human services not later than December thirty-first
- of each year of the implementation, and such reports shall include the
- 42 <u>impact of the rate change on each facility.</u>
- [(b)] (c) The Commissioner of Social Services may implement

LCO No. 2045 2 of 3

- 44 policies as necessary to carry out the provisions of this section while in
- 45 the process of adopting the policies as regulations, provided that prior
- 46 to implementation the policies are posted on the eRegulations System
- 47 established pursuant to section 4-173b and the Department of Social
- 48 Services' Internet web site.

This act shall sections:	ll take effect as follo	ws and shall amend the following
Section 1	Iuly 1, 2016	17b-340d

Statement of Purpose:

To establish the components of an acuity-based Medicaid reimbursement system for nursing home services.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

LCO No. 2045 3 of 3